

Achieving Smart Growth in New Hampshire

Three Pilot Communities Consider Smart Growth Options

Towns within the corridor affected by the planned expansion of Interstate 93 were invited to apply to participate in a community Smart Growth planning process, including evaluation of their development policies and regulations in relation to principles and examples of Smart Growth. The three communities selected - Pembroke, Derry, and Chester, - were already engaged in participatory planning efforts, and represent the diversity of municipalities in the I-93 corridor. Residents were invited by the local planning boards to participate in two public meetings to explore what they value about their towns, their visions for the future, and to consider possible ways to preserve the features and character they cherish, and implement their visions and goals for future development.

Planning Decisions, Inc. (PDI) facilitated the meetings and analyzed each pilot community's master plan, zoning ordinance, subdivision regulations, and site plan review regulations. The local planning and implementation tools were reviewed for consistency with community vision and goals, and the *Principles of Smart Growth for New Hampshire* as they related to each town's vision and goals. Using build-out analyses, PDI demonstrated to the towns the outcomes of their existing policies and regulations.

Smart Growth will not result from re-writing zoning ordinances alone. Smart Growth requires creative interaction of citizens, developers, and community officials. The primary stimulus to this cre-

ativity is imagination. Thinking of development only in terms of current policy and familiar projects will lead to little or no change. On the other hand, if people are willing to think about and discuss new ideas and decide which ones fit with the essential values and qualities that define their town, they can adjust the rules to fit the good ideas.

In its analyses and suggestions to the three pilot communities, PDI aimed to stimulate the imaginations of citizens as they undertake the challenge of charting their towns' futures. The purpose was not to say, "This is what you should do," but rather, "Think about this." Lack of familiarity with the range of possibilities presents a barrier to finding new solutions for the many highly committed and energetic citizens who are wrestling with the issues posed by growth and development. The following suggestions are offered to broaden citizens' vision of the range of possibilities, to provide food for thought to communities committed to dealing with the issues that will shape our future.

New Hampshire's impact fee law only permits municipalities to charge developers impact fees for increased capital costs generated by new development. PDI suggested that state legislation be amended to permit inclusion of increased operational costs, as well as capital costs of new development in impact fees charged to developers.

PEMBROKE



In small group sessions Pembroke citizens were remarkably unified on what they value most about their town. Residents take great pride in Pembroke's small-town community spirit and friendliness. They also hold dear the character of its small town/historic built environment and its undeveloped lands, especially its three rivers, ponds, and agricultural lands.

Located south and east of Concord, Pembroke through the 1980s experienced population growth of 35 percent, with a 40 percent increase in housing stock. Through the 1990s Pembroke grew at a slower 5 percent pace to 6,897 residents by 2000. Because households with children under 18 increased at only half the rate of growth of all households, school enrollment has remained quite stable. However, municipal expenditures jumped repeatedly. If new housing attracts more families with children, enrollment will climb.

The qualities most valued by today's citizen - friendly people, small town atmosphere, historic design, open spaces, and convenient location - are sure to draw more people to Pembroke in the future. The I-93 Expansion 2020 study panel predicted the combined impacts of ongoing growth and growth brought by the widening of I-93 will

result in more changes for Pembroke in the next two decades: population growth of nearly 40 percent to about 9,600 people; housing stock growth of 50 percent to over 4,200 units; and more than doubled in-town employment to over 3,000 people.

Smart Growth Suggestions

Retaining the qualities and features treasured by its citizens while accommodating this growth is the challenge for Pembroke. PDI's report to the Pembroke Planning Board details how town policies and regulations promote or contradict Smart Growth principles, and how they further, or do not further, the residents' vision and goals.

- Although parts of Pembroke's Master Plan and ordinances address concepts of Smart Growth at least indirectly, overall the town's zoning and development ordinances encourage the conventional suburban development that is consuming so much open space in New Hampshire.

- Two Master Plan goals are consistent with Smart Growth: "preservation and protection" of lands "inappropriate...for development,"; and location of "new retail activities...in Suncook Village." But the goal of encouraging "a lower density of development in those areas remote from town services" - intended to complement the goals of concentrating development in Suncook Village and protecting open space - has instead produced suburban sprawl.

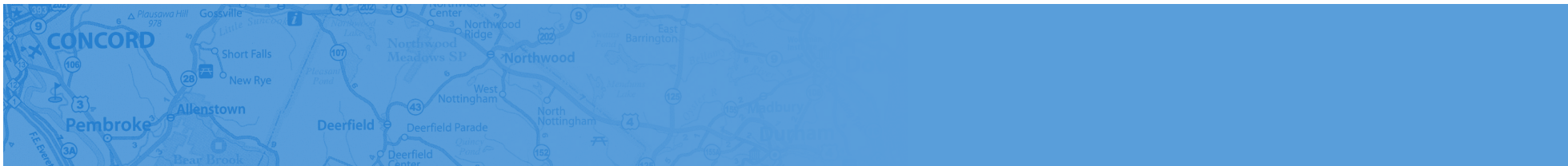
- The two-acre minimum lot size of the R-3 zone, covering the vast majority of the town, causes suburban residential development to compete directly with open space and working agriculture and forestry. The state's traditional rural industries cannot compete with the demand for housing in the free-market for land because our economic system does not compensate those traditional rural industries for their contributions to the quality of life for all. Allowing a residence on any buildable two acres, in effect, allows construction of residences on all buildable two-acre lots in the R-3 zone. This outcome clearly contradicts other Master Plan goals, and the desires of the community meeting participants.

To foster Smart Growth, Pembroke's ordinances need to refer explicitly to the *Principles of Smart Growth for New Hampshire*, and to the goals and values articulated by Pembroke citizens. Unchecked over time, the demand for suburban housing in the Pembroke area will consume much of the town's developable land into the two-acre lots permitted under the current R-3 zoning requirements. Revitalizing Suncook Village, establishing a mixed-use Pembroke Street village, and selecting an area for a new village that would concentrate most rural development, while preserving open space, would help prevent or at least slow this trend.

A new rural village would require a transfer of development rights article in the zoning ordinance similar to the town's cluster ordinance, but with

several major differences. The article would allow the Planning Board to consider rural village proposals without specific zone, or lot and frontage requirements, and with a variety of lot sizes and limited non-residential activities. Developers would be required to pay into an Open Space Conservation Fund the difference between the land cost required under two-acre per lot zoning and that required under the approved village plan. Community water/waste systems would be built to town specifications for a village development. Rural village development clusters should be allowed to allocate the dollar value of their open space requirement to the Town Open Space Preservation Fund, and owners of units should not be required to join a cluster-specific owners association.

Pembroke's current regulations do nothing to protect two large tracts in the range road area from development, as proposed in the Master Plan and strongly supported by the community meeting participants. PDI suggests creating an open space preservation overlay zone to include these two areas, the area bordering the river corridors, and greenways connecting these high-priority areas. The Town should dedicate all funds received from developers who are allowed lot sizes below current standards to purchasing land or development rights in this overlay zone. An Open Space Preservation subcommittee of the Planning Board should be established to encourage private land trusts and others to help protect land in these tracts. This zone



should require 10 or 20-acre minimum lot size, with individual access to town roads required for all lots to prevent development of new town roads. A Rivers Corridor Overlay District could be created with more stringent storm runoff controls for development, and other measures necessary to protect the water quality highly valued by residents. Care must be taken not to further restrict farming and forestry activities.

DERRY



Derry's population nearly quintupled from under 7,000 residents and a rank as 17th largest community in the state in 1960, to more than 34,000 people and fourth-largest community in 2000. Derry's growth

was meteoric from the 1970s through the early 1990s: population and housing stock tripled; much of Derry's agricultural land and open space was carved up for residential development; schools and roads became increasingly crowded; and the tax rate soared to one of the highest in New Hampshire. Residents want to protect the farms and contiguous open lands that are left. They value Old Derry Village near Pinkerton Academy, and have invested in the downtown areas.

The bank failures and recession of the early 1990s, along with a series of growth management initiatives taken by the town through the decade, have

slowed growth. Rate of housing growth, for example, slowed from 68 percent in the 1980s to just 10.5 percent in the 1990s. School enrollments leveled off, but have not declined, probably due to the overwhelming predominance of single-family home construction. Even in the slower-growth 1990s, Derry's growth in households with children under 18 was 50 percent higher than the state average, and triple the national average. In the state and the nation as a whole, over 20 percent of all households include individuals aged 65 and older, but in Derry, this age group accounts for just over 12 percent of all households.

While slower growth in the 1990s enabled Derry to catch its breath, rewrite its Master Plan, etc., development is expected to accelerate again. With its growth management ordinance due to expire in spring 2002, Derry still had about 8,000 acres of developable land that could accommodate about 4,000 new housing units under existing zoning regulations. The widening of I-93 and construction of the new Exit 4A will likely increase demand for housing to 5,000-7,000 additional units. The I-93 Expansion 2020 study panel predicted that with the widening of I-93, Derry's population will grow another 40 percent to 47,672 by 2020.

Smart Growth Suggestions

PDI recommended Derry review its zoning and other growth management ordinances not only for the number of new units to be developed, but also

for their type, location, and how best to integrate new development with the other qualities and activities of the Town described in the Master Plan Update. PDI reviewed Derry's Master Plan Update, Zoning Ordinance, and Land Development Control Regulations. Probably at least partly due to Derry's experience and efforts to manage growth, many of these documents' goals are consistent with the principles of Smart Growth. The Master Plan Update calls for development regulation that "concentrates development in the Downtown...avoiding the tendency toward suburban sprawl;" preserves "open space, recreation and agriculture;" protects "Derry's natural, cultural and historic resources;" improves "public communication in Derry, particularly with respect to land use issues;" and involves "at least one workshop a year with neighboring communities on issues of mutual concern."

- Nevertheless, Derry's zoning regulations contradict several principles of Smart Growth. For example, despite strong emphasis on concentrating development and enhancing quality of life in downtown areas, the Medium-High Residential District requires minimum lot sizes (10,000 square foot for lots on municipal water and sewer and one acre for lots on community water systems) that prohibit the more densely populated traditional neighborhoods favored by Smart Growth.

- Derry's Office Business District and Neighborhood Commercial District are parts of the Smart Growth concept of a mixed-use village cen-

ter in a more rural area of town. Derry could use the best principles of Smart Growth to solve several of its most pressing growth problems by combining these concepts, selecting a target area (perhaps the southeast corner of town suggested in the Master Plan for new commercial development), and trading higher density in this new 'rural village' for much lower densities in a selected high-priority open space area. Also, the only reference to protecting the environment in the town's development ordinances is a general statement about protecting Derry's "natural resources."

Suggestions for a Smart Growth Future for Derry:

- Encourage continued revitalization of the Downtown.
- Create a mixed-use, Smart Growth development near the new Exit 4A
- Create a traditional New England village in a rural area.
- Create an open space preservation overlay zone.
- General Zoning Changes as identified below:

Amend zoning ordinance section 103, subdivision regulations section 203, and site plan regulations section 303 to reflect the concepts of Smart

Growth. Now almost entirely oriented to the dangers of overcrowding and fears of squalid tenements, this section calls for the ordinance to "lessen congestion," "prevent overcrowding," and "avoid undue concentration of population." Concerns for loss of open space, environmental degradation, loss of community interaction, and increasing tax costs of supplying services across a wide suburban landscape should be given equal voice in the purpose of the zoning ordinance.

CHESTER



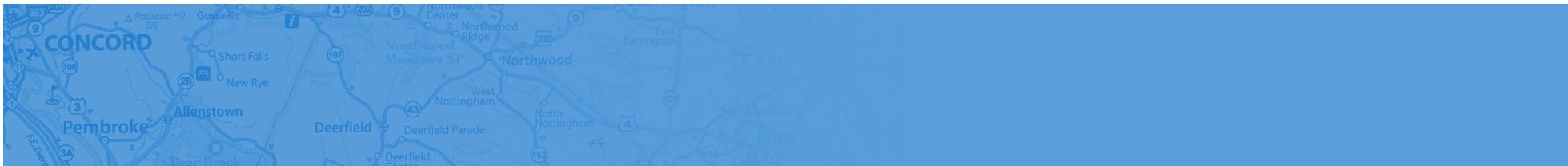
Residents at the Chester Smart Growth meetings expressed their attachment to many aspects of the town's rural character - the presence of open space, birds, and stars, and the absence of "looking in neighbors' windows," traffic lights, or much commercial development. They also expressed appreciation of Chester's history and character as a New England town, its historic buildings, and community design. Chester also rated highly as a safe and friendly community, "a good place to raise kids."

Residents of Chester value the rural character of their town and define it in terms of both the historic character and design of the buildings, cemeteries, and stone walls along Chester Street and the open fields and woods that surround this and other roads

through town. The variety of natural places and landscape features cited as favorites reflects the town's efforts to protect the interior wooded lands with their ponds and streams, the Exeter River watershed area, and the farm buildings and fields that contribute to the community's prized rural character.

In the last 30 years Chester's population has nearly tripled, from 1,382 in 1970 to 3,792 in 2000. Over the same period, Chester's housing stock - and the land it has consumed - has increased even more rapidly. This pattern of growth highlights the dilemma facing Chester: the rural character of the town's environment most valued by Chester residents also attracts new residents, which consumes more of the rural space for residential development.

Between 1990 and 2000, Chester's population growth differed from the state and national patterns in two important ways: (1) The number of households in Chester increased at a much greater rate than either New Hampshire or the U.S. rate (nearly 41 percent vs. about 15 percent; and (2) The number of households with children under 18 increased even more rapidly than did households as a whole (nearly 53 percent vs. 8.5 percent for the state and 4.5 percent for the U.S. as a whole). Families with young children seeking single-family homes have led growth in Chester, where households with children under 18 constituted nearly 48 percent of all households. By comparison, statewide and national-



ly, only about 33 percent of households had children under 18. Just 14 percent of Chester households included individuals 65 and older, compared to a little over 20 percent for New Hampshire and the U.S. as a whole.

The link between the types of housing built and population composition is the key to Chester's ability to preserve its special qualities and places while accommodating future growth. Assuming that Chester moves somewhat closer to the state and national averages in demographic structure, but still maintains an above-average proportion of families with children under 18, PDI estimated the projected 2020 population of about 6,400 will require an additional 1,500 housing units. The type and location of those units will be related to the types of households living in or moving to Chester.

Smart Growth Suggestions

The central problem for Chester citizens and planners is that the policies designed to achieve the goals in the Master Plan and development ordinances directly contradict those goals. The overall goal of the Master Plan is to "preserve and protect the ...rural and historic character and scenic beauty of the Town of Chester...." The goals in the Zoning Ordinance preamble call for "a dispersed ...semi-rural/agricultural residential community" and "a good balance of farms, residential units, parks and conservation areas."

However, the Master Plan envisions low-density

residential development along all major roads in town, and the Zoning Ordinance cites the goal "to maintain such a lack of density and concentration of housing that a town water system and/or sewerage system will never be required." To achieve these goals, the Zoning Ordinance imposes a 2-acre minimum lot size for all residential development.

- This policy has not stopped the tide of suburban residential development engulfing the town. It may have prevented a municipal water/sewer system, but it has not prevented increased demand for other municipal services and consequent property tax rate increases, nor has it prevented loss of open space. The reason for this failure is that the two-acre minimum lot size requirement of the R-1 zone, that covers the vast majority of the town, puts open space and working agriculture and forestry in direct competition with suburban residential development. Setting density and use requirements for a zone implies that development of all useable land in that zone to those standards is acceptable, or even desirable.

- To say a residence may be put on any buildable two acres in a zone is tantamount to saying the ordinance envisions construction of residences on all buildable two acres in that zone. Clearly such an outcome contradicts both the "good balance" goal of the Master Plan and the desires of citizens at the Smart Growth meetings.

- Despite several Master Plan references to concepts consistent with Smart Growth, Chester's zon-

ing and development ordinances encourage the conventional suburban development that is consuming so much open space in New Hampshire. As one participant in the second community meeting noted, simply allowing a free market for land does not "force" or even "encourage" residential development. However, since our economic system does not compensate New Hampshire's traditional rural industries for their contributions to the environment and quality of life enjoyed by all, agricultural and forestry products and land use cannot compete with the demand for land for housing in this region.

- PDI's assessment is that Chester's ordinances do more to foster sprawl than Smart Growth. Chester wants both low density residential development and preservation of its rural character. That may have been possible 50 years ago, but given the town's proximity to Boston, and the potential widening of I-93, it is no longer an option. The choice for Chester is not between low density and concentration, but between suburbanization and rural character.

- Concentrated residential development can be consistent with preservation of rural character. Based on the opinions expressed by residents at the Smart Growth meetings, preserving rural character in Chester means two things: keeping the historic appearance of Chester Street, and preserving certain high priority undeveloped areas and natural features. A single R-1 zone that treats every acre within it as being of equal value cannot accomplish these goals. PDI therefore suggests that Chester



adopt three zones:

- *A Chester Street Historic Preservation Overlay Zone;*
- *An Open Space Preservation Overlay Zone; and*
- *One or more Rural Village Zones for creation of one or two traditional New England villages.*

General Zoning Changes:

Amend the Master Plan and the Zoning Ordinance preamble to incorporate concepts of Smart Growth. The current focus on preventing concentration reflects a desire to maintain Chester's rural character by allowing only low-density development along major roads. This policy leads to loss of open space, environmental degradation, loss of community interaction, and rising costs for supplying services across a wide suburban landscape.

Many Tools Available for Smart Growth

This brief summary of recommendations offers just a sampling of the available tools that might be useful for these three towns. This report for New

Hampshire includes many other regulatory and non-regulatory techniques to promote smart growth. Numerous options are available to communities for subdivision standards, design and siting standards, and measures to direct and allocate amenities such as park space and sewer and water service to create more livable communities that make wiser use of land and other resources.

